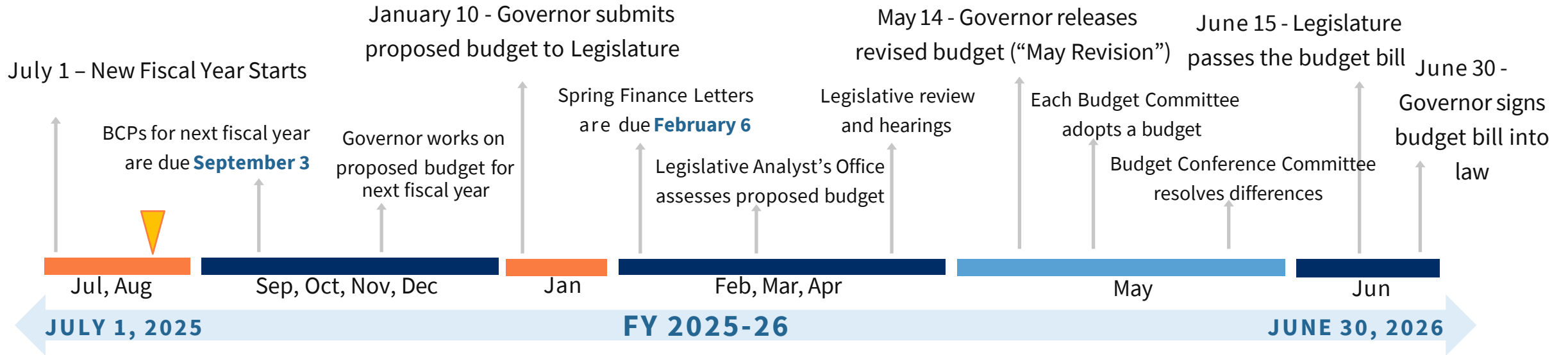




CBH Budget Overview for FY 2024-25 and Proposed Budget for FY 2025-26

Norma Pate, *Deputy Director of Administration and Performance Management*
August 28, 2025

California's Fiscal Year and Budget Process Timeline



Key dates in the budget process:

- January 10** - Governor's Proposed Budget for the next fiscal year is released
- May 14** - Governor releases the May Revision of the proposed budget
- June 15** - Legislature must pass a balanced budget
- June 30** - Governor signs the Enacted Budget
- July 1** - New fiscal year starts

- **FY** – Fiscal Year
- **PY** – Prior Year (FY 2024-25)
- **CY** – Current Year (FY 2025-26)
- **BY** – Budget Year (FY 2026-27)
- **YTD** – Year to Date
- **BCP** – Budget Change Proposal

CBH Funding

BEHAVIORAL HEALTH SERVICES ACT (BHSA)

1% Income tax on personal income over \$1 million per year

- Majority of BHSA funding goes to counties, but it allows up to **3%** to be used for state administration of BHSA
- CBH is funded entirely through that **3%** state administration portion of the BHSA funds

CBH ongoing yearly budget consists of two main funds:

State Operations include personnel, general operational costs, and budget directed funds (funds that are part of the Budget Act received for a specific purpose).

Local Assistance funds are used for grants and contracts that are distributed to the community.

CBH Current Funding Sources

ONGOING YEARLY FUNDS

Mental Health Wellness Act: \$20 million annually to support crisis intervention and support, and early intervention services.

Behavioral Health Student Services Act: Ongoing appropriation of \$7.6 million to provide comprehensive school-based mental health services to students and families.

Community Advocacy Contracts: \$6.7 million annually to competitive grants to organizations serving nine specified high-need populations.

FSP Evaluations (WIC Section 5845.8.): \$400,000 annually ongoing to support FSP evaluation and reports to the Legislature.

CBH Current Funding Sources

ONE-TIME AND TIME-LIMITED FUNDS

Behavioral Health Student Services Act Administration:

\$25 million to administer the Behavioral Health Student Services Act (BHSSA) grant program.

Behavioral Health Student Services Act Evaluation:

\$16.6 million to evaluate the BHSSA grant program.

Prop 1 Implementation: \$100,000 annually for 3 years starting in FY 2024-25 to implement the necessary changes as required by SB 326 (Chapter 790, Statutes of 2023)/Proposition 1.

Encumber and Reversion Dates and Staggered Funding

Funds have time constraints

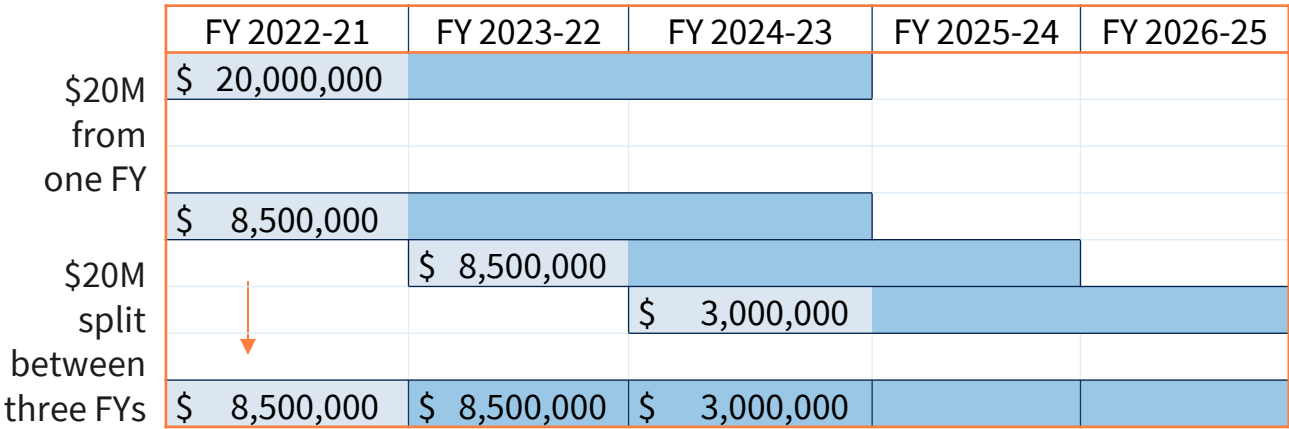
1 YEAR TO ENCUMBER
2 YEARS TO SPEND

Can be longer if specified in the Budget Act

Ongoing funds allow us to stagger multiple fiscal years to give grantees more than two years to spend the grant

- **Encumbrance** - represents a commitment to spend money for a future expense. Funds get encumbered when a grant, contract or purchase order is signed.
- **Reversion** - any unspent funds will revert back to the Behavioral Health Services Fund.

Instead of using funds from one fiscal year, the grant amounts are split between two or more fiscal years to allow grantees at least three years to spend the funds.



Encumbrance period Expenditure period
Funds are active until the reversion date

Overview of Active Funds from Past Fiscal Years

Prior years' funds available for encumbrance

BHSSA Administration: \$25 million to administer the BHSSA grant program.

Enactment Year	Prior Years' Available Funds	Original Budget	Total YTD	Available	Encumbrance Date
FY 2024-25	MHWA FY 2024	\$ 20,000,000	\$13,500,000	\$ 6,500,000	6/30/2026
FY 2021-22	Older Adults Reappropriation	\$ 995,301	\$ 805,463	\$ 189,838	6/30/2026
FY 2021-22	BHSSA Admin	\$ 25,000,000	\$19,118,197	\$ 5,881,803	6/30/2026
FY 2022-23	BHSSA Evaluation	\$ 16,646,000	\$ 6,132,794	\$10,513,206	6/30/2026
	Total Prior Years' Funds	\$ 62,641,301	\$38,730,897	\$23,910,404	

The Maternal BH 0-5 and FSP Technical Assistance procurements will be funded using part of the \$6.5M that was allocated in FY 2024-25

BHSSA Evaluation \$16.6 million to evaluate the BHSSA grant program.

A grantee withdrew from the program and the funds were reappropriated to extend the encumbrance date. The funds were reallocated to the other grantees, and a balance was left. These funds can only be used for the Older Adults population.

FY 2024-25 Budget Overview

BHSOAC Budget FY 2024-25	Budget	Actuals	Difference
Operations			
Personnel	\$9,697,000	\$7,723,474	\$1,973,526
Salaries and Wages	\$6,110,000	\$5,491,237	\$618,763
Staff Benefits	\$3,587,000	\$2,232,237	\$1,354,763
Operations	\$4,295,000	\$4,520,565	(\$225,565)
Administration & Performance Management	\$2,422,704	\$2,334,292	\$88,412
Legislative and External Affairs	\$217,830	\$142,586	\$75,244
Research, Evaluation & Program Operations	\$1,649,802	\$1,752,187	(\$102,385)
Legal	\$4,664	\$291,500	(\$286,836)
Budget Directed	\$500,000	\$500,000	\$ -
FSP Evaluations	\$400,000	\$400,000	\$ -
Prop 1 Implementation	\$100,000	\$100,000	\$ -
Reductions		\$1,578,000	(\$1,578,000)
Pension Adjustment		\$41,000	(\$41,000)
Vacancy Elimination		\$385,000	(\$385,000)
7.95% State Reduction		\$1,152,000	(\$1,152,000)
Total Operations	\$14,492,000	\$14,322,039	\$169,961
Local Assistance			
Mental Health Wellness Act	\$20,000,000	\$13,500,000	\$6,500,000*
Behavioral Health Student Services Act	\$7,606,000	\$7,606,000	\$ -
Community Advocacy	\$6,700,000	\$6,700,000	\$ -
Total Local Assistance	\$34,306,000	\$27,806,000	\$6,500,000
Total FY 2024-25	\$48,798,000	\$42,128,039	\$6,669,961

FY 2024-25 PROCUREMENTS

- BHSSA Statewide Coordinator
- Immigrants and Refugees Advocacy (Local)
- MHWA Maternal Behavioral Health/0-5
- K-12 Advocacy

- ✓ Original budget amounts for salaries, benefits, operations and local assistance are provided every year by Department of Finance in the state budget galley.
- ✓ The galley document for the Commission can be found on the CA Budget website [FY 2024-25 Galley](#).

*\$6.5 million from prior year and \$20 million from current year planned for Maternal BH/0-5 TA, FSP TA, and Peer Respite procurements

Proposed Commission Budget for FY 2025-26

- ✓ Operations budget allocations are estimated based on prior year expenses and known expenses for this year.

- ✓ Original budget allocations for salaries, benefits, operations and local assistance are provided every year by Department of Finance in the state budget galley.
- ✓ The galley document for the Commission can be found on the CA Budget website [FY 2025-26 Galley](#).

BHSOAC Budget FY 2024-25 and FY 2025-26	Budget FY 2024-25	Actuals FY 2024-25	Proposed FY 2025-26
Operations			
Personnel	\$9,697,000	\$7,723,474	\$8,556,529
Salaries and Wages	\$5,835,000	\$5,491,237	\$5,390,613
Staff Benefits	\$3,862,000	\$2,232,237	\$3,165,916
Operations	\$4,295,000	\$4,520,565	\$3,832,526
Administration & Performance Management	\$2,422,704	\$2,334,292	\$2,207,457
Legislative and External Affairs	\$217,830	\$142,586	\$158,960
Research, Evaluation & Program Operations	\$1,649,802	\$1,752,187	\$1,311,925
Legal	\$4,664	\$291,500	\$154,184
Budget Directed	\$500,000	\$500,000	\$500,000
FSP Evaluations	\$400,000	\$400,000	\$400,000
Prop 1 Implementation	\$100,000	\$100,000	\$100,000
Reductions		\$1,578,000	\$1,537,000
Pension Adjustment		\$41,000	
Vacancy Elimination		\$385,000	\$385,000
7.95% State Reduction		\$1,152,000	\$1,152,000
Total Operations	\$14,492,000	\$14,322,039	\$14,426,055
Local Assistance			
Mental Health Wellness Act	\$20,000,000	\$13,500,000	\$20,000,000
Behavioral Health Student Services Act	\$7,606,000	\$7,606,000	\$7,606,000
Community Advocacy	\$6,700,000	\$6,700,000	\$6,700,000
Total Local Assistance	\$34,306,000	\$27,806,000	\$34,306,000
Total FY 2024-25	\$48,798,000	\$42,128,039	\$48,732,055

Local Assistance Ongoing Funds for FY 2025-26

\$6.5 million from prior year and \$20 million from current year planned for Maternal BH/0-5 TA, FSP TA, and Peer Respite procurements

Encumbered to 51 Grantees from BHSSA Round 4 procurement

Planned procurements for Immigrant and Refugee and TAY advocacy contracts.

Rest is already encumbered to past multi-year advocacy contracts

BHSOAC Budget FY 2024-25 and FY 2025-26	Budget FY 2024-25	Actuals FY 2024-25	Proposed FY 2025-26
Operations			
Personnel	\$9,697,000	\$7,723,474	\$8,556,529
Salaries and Wages	\$5,835,000	\$5,491,237	\$5,390,613
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FSP Evaluations	\$400,000	\$400,000	\$400,000

Local Assistance	Budget FY 2024-25	Actuals FY 2024-25	Proposed FY 2025-26
Mental Health Wellness Act	\$20,000,000	\$13,500,000	\$20,000,000
Behavioral Health Student Services Act	\$7,606,000	\$7,606,000	\$7,606,000
Community Advocacy	\$6,700,000	\$6,700,000	\$6,700,000
Total Local Assistance	\$34,306,000	\$27,806,000	\$34,306,000
Total FY 2024-25	\$48,798,000	\$42,128,039	\$48,732,055

Planned Procurements for FY 2025-26

FY 2025-26 COMPETITIVE BID PROCUREMENTS

- Immigrant and Refugee Advocacy (Statewide)
- MHWA Maternal Behavioral Health Technical Assistance
- MHWA FSP Technical Assistance
- Transition Aged Youth Advocacy
- MHWA Peer Respite
- Innovation

INNOVATION PARTNERSHIP FUND

Under the Behavioral Health Services Act (BHSA), the Commission will begin administering the Innovation Partnership Fund on July 1, 2026, which may be awarded to private, public, and nonprofit partners.

With \$20 million per year over five years the fund will support innovative, evidence-based approaches to mental health and substance use disorder services, with a focus on underserved, low-income populations, and communities impacted by behavioral health disparities.

- ✓ Innovation Partnership Fund procurement can be completed this year, and grants can start on July 1, 2026, when these funds become available.

Expenditure Authorization

These expenditure requests were reviewed by the Program Advisory and Budget and Fiscal Advisory Committees, both of which approved moving this forward to the Full Commission for review and approval.

Research, Evaluation & Program Ops

- **\$97,000** for contract with California Association of Local Behavioral Health Boards and Commissions (CALBHB/C) to provide training and support to California's local behavioral health boards and commissions. This contract was also reviewed by the Program Advisory Committee.
- **\$150,000** amendment to TIM TIOTE contract for continuing consulting for the upcoming competitive procurements

Administration & Performance Mgmt.

- **\$110,711** to GoSecure for 3 years of information security support that will:
 - Protect endpoints from external threats, scan for vulnerabilities and review suspicious events.
 - Assure that an expert will be available in the event of an incident
 - Provide required areas of security for CDT OIS and FBI CJIS compliance

Thank you.



Questions?

Motion

- ✓ That the Commission adopt the FY 2025-26 Commission budget and its associated contracts as recommended by the Program Advisory Committee and Budget and Fiscal Advisory Committee.